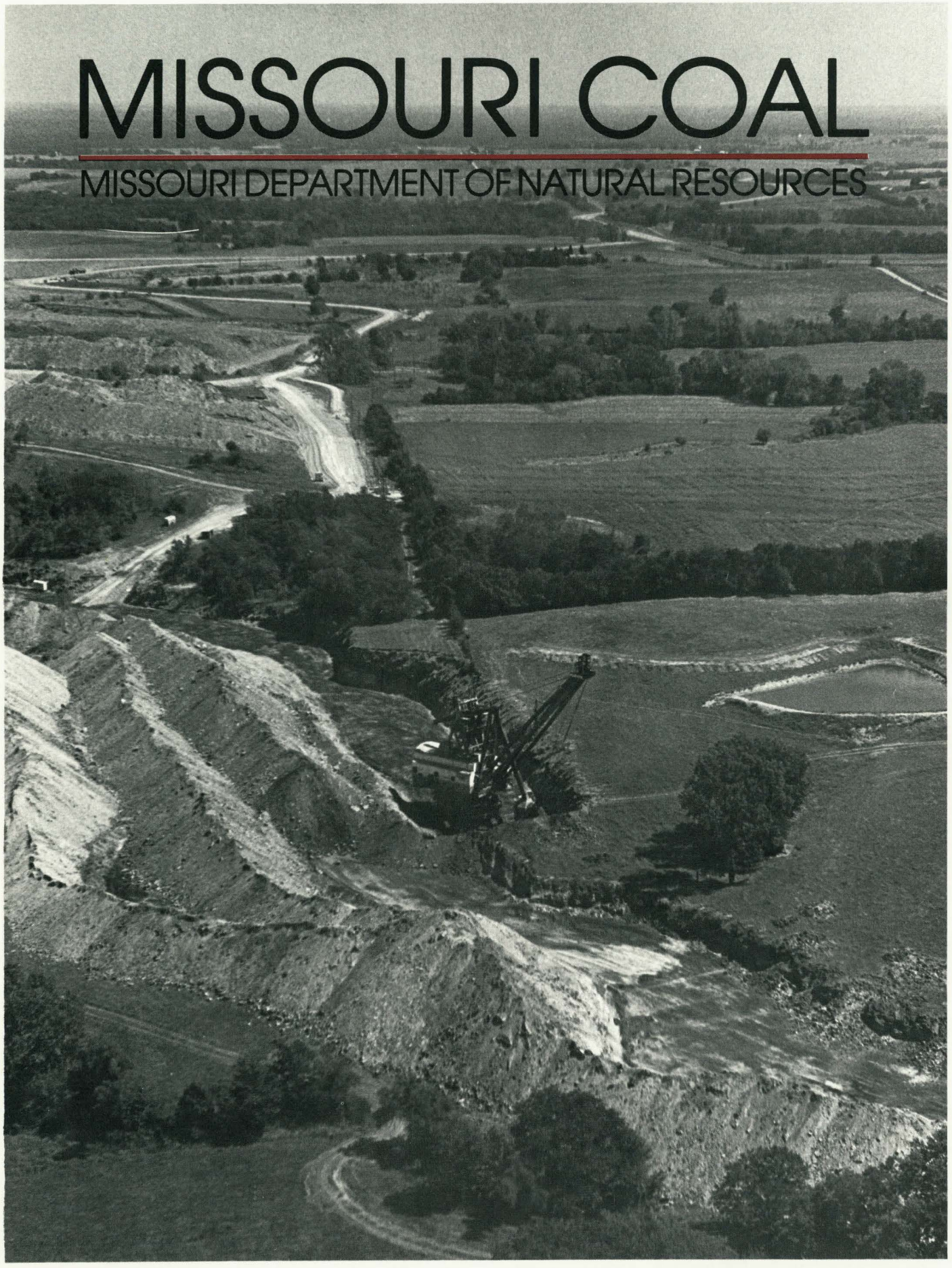
MISSOURI COAL

MISSOURI DEPARTMENT OF NATURAL RESOURCES



INTRODUCTION

Coal, sometimes nicknamed "the rock that burns," is a product of nature's continual growth and decay.

Although not a true coal, peat is considered to be its first stage of development. Further stages of development are the soft coals lignite, or brown coal; subbituminous coal; bituminous coal; and finally, anthracite, or hard coal.

The coal we use now is as much as 300 million years old, formed in an era when lush vegetation and steamy, tropical conditions existed over much of the world. As plants and animals died, the biomass accumulated in layers, eventually forming beds of peat.

Through the centuries, prehistoric seas alternately advanced and receded, depositing layers of sediment on the peat. The sediment accumulated and the earth's crust shifted, compressing the peat, squeezing out its moisture, and burying it deeper and deeper.

Heat generated by the tremendous pressure on the buried beds drove out most of the oxygen and hydrogen, leaving a residue of impure carbon — coal.

Peat continues to form in places like the Dismal Swamp in North Carolina and Virginia. However, it takes 36 feet of peat to form three feet of bituminous coal, in a process much slower than the rate at which we use it.

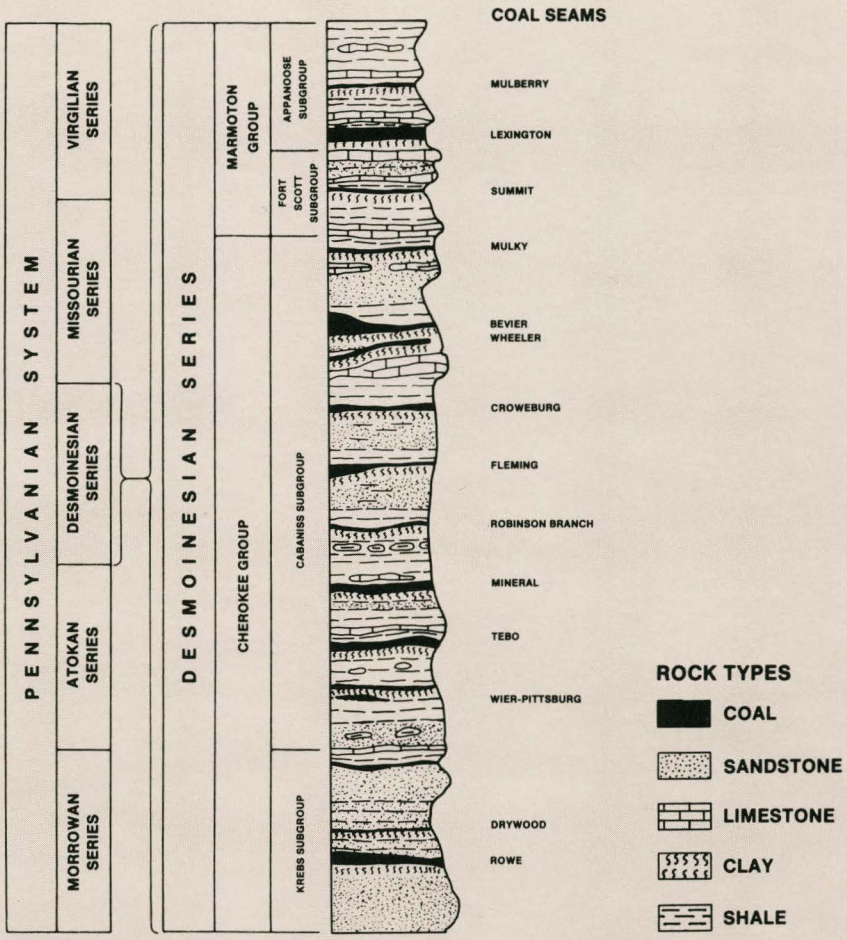
COAL QUALITY

The description of coal includes its stage of development and its quality. Quality refers to the desirability of coal for use as a fuel or for producing other commodities.

Coal quality includes such factors as ash content, sulfur content, and heat value. In fact, the principal value of coal is in the amount of heat it can generate, a factor directly related to stage of development. Heat value is measured in British Thermal Units, or BTUs. One BTU is the energy necessary to raise the temperature of one pound (one pint) of water one degree Fahrenheit.

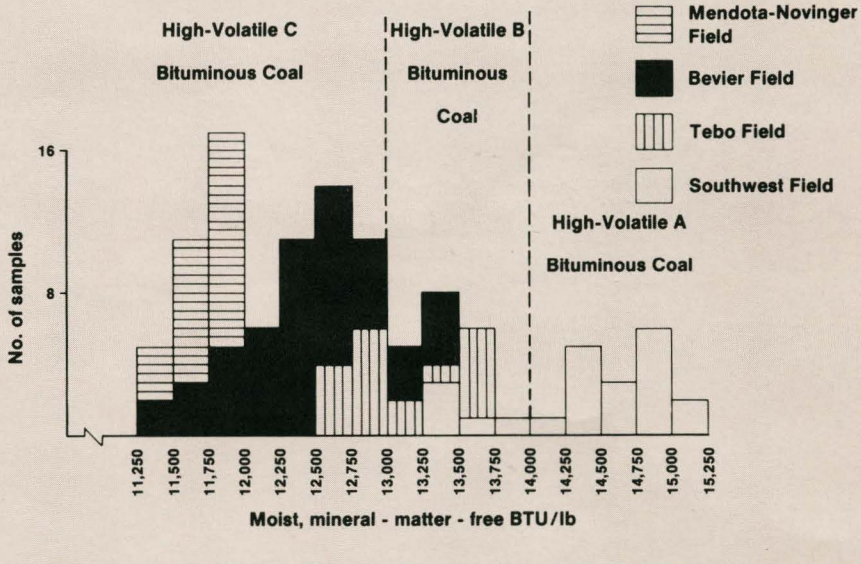
The stage of development, or rank, of coal is partly determined by the heat value of moist, mineral-matter-free coal samples. Heat values of Missouri coal

Cover: Coal mining in western Missouri



PRINCIPAL COAL SEAMS OF MISSOURI AND THEIR ASSOCIATED ROCK STRATA

The coal seams are shown in an idealized column in order of age, from the oldest at the bottom to the youngest at the top.



DISTRIBUTION OF MOIST, MINERAL-MATTER-FREE BTU/LB IN COAL SAMPLES FROM THE MENDOTA-NOVINGER, BEVIER, TEBO, AND SOUTHWEST FIELDS, MISSOURI

range from 11,250 BTUs per pound to 15,250 BTUs per pound. Missouri coal is classified by rank as high-volatile A, B, and C bituminous.

All but a small fraction of Missouri coal has a high sulfur content. More than one-half of the state's coal reserves contain 4 percent to 5 percent sulfur; one-fourth contains 3 percent to 4 percent; a small fraction contains less than 3 percent; and the remainder contains more than 5 percent sulfur.

The heat value of Missouri coal on an as-received basis ranges from just over 10,000 BTUs per pound to 12,500 BTUs per pound, with an average of 11,016 BTUs per pound. The moisture content averages 11.1 percent; the ash content, 11.5 percent. These qualities make Missouri coal a good fuel for heating boilers in steam electric-generating plants.

COAL IN MISSOURI

Coal-bearing strata underlie an estimated 24,000 square miles of northern and western Missouri, about 35 percent of the state's surface area. It occurs in seams or beds over large areas called coal fields. Coal seams currently mined are 12 to 42 inches thick. They are named for geographic features at or near where they typically occur. For example, the Drywood seam is named for Drywood Creek in Barton County, where the seam is exposed along its banks. Broader classifications of seams are based on world-wide standards derived from such factors as how readily identifiable the seams are and how long ago they were deposited. Fields usually are named for a principal coal seam mined in the area or for a nearby mining town. The Bevier field, for example, was named for a town of the same name in Macon County.

The Bevier field currently is the most productive in Missouri. It underlies several counties, but about 60 percent of the state's total annual production is mined in Howard and Randolph counties. The Bevier-Wheeler is the principal seam mined; the Summit, Mulky and Croweburg seams are lesser producers. At present, the second-largest producing coal field in the state is the Southwest field, which yields 24 percent of the state's annual coal production. Seams currently mined are the Mulberry in Bates County; the Mineral and Croweburg seams in Vernon County; and the Rowe and Drywood seams in Barton County.

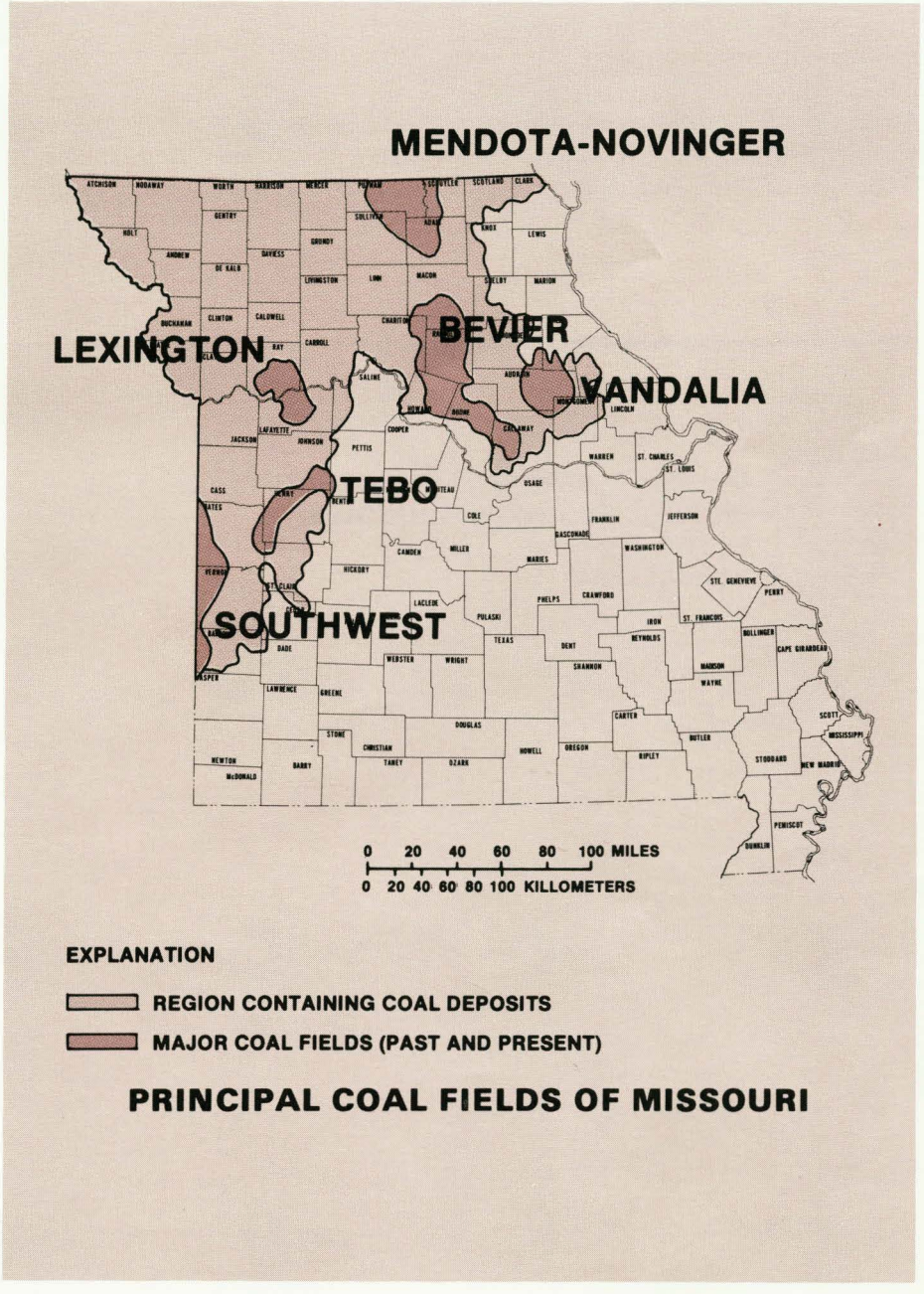
The Tebo field was the largest producing area in the state before mining activity increased in the Bevier field in the late 1970s. Current production from the Tebo field constitutes 10 percent of the state's annual coal production. Most of the coal produced in the region is mined from the Tebo seam. Small amounts are recovered from the Weir-Pittsburg seam.

The Mendota-Novinger and Vandalia coal fields yield less than 3 percent of the state's annual coal production. The Lexington and Mulky seams are the only seams currently being mined in those two fields.

The Lexington coal field is inactive at present, although it was an important producer in the past. The Lexington was the only seam mined, and recovery was primarily by underground methods.

COAL MINING IN MISSOURI

Missouri was the first state west of the Mississippi River to produce coal commercially. In 1806, Captain Zebulon Pike observed coal in bluffs along the Osage River, south of the present site of Prairie City in Bates County. "Black diamond" was mined from such outcrops by digging



PRINCIPAL COAL FIELDS OF MISSOURI

James Brothers Mine at Bevier, Missouri (circa 1911). The horse hoisted coal and supplies up the mine shaft, which is covered by the sheds. The mine car in the right foreground was used underground to haul coal from the working face to the main shaft.

drift mines as far into the hillside as good ventilation would allow, usually only a few hundred feet. Despite difficulties, coal mining had become a thriving enterprise by 1880.

Most early coal mines in Missouri were underground. Interest in strip mining developed in the mid-1930s, and by the late 1960s, it was the only method used. It is a simpler process and is cheaper in lives and dollars.

In early strip mining, horse-drawn scrapers moved the soil and shale, or overburden, covering the coal, beyond the outcropping. Only a few tons of coal could be mined, because the coal seams extended under thicker and thicker overburden that eventually was impossible to remove.

Today, mines use enormous electric shovels and draglines that can remove more than 100 feet of overburden. After topsoil removal, overburden is taken up in strips that may be more than a mile long, and the coal is mined by scrapers and dozers.The overburden is then removed from a second parallel strip and dumped into the first mined area. The process is continued as the machine moves slowly across the terrain, alternately removing overburden and mining coal. At the same time, reclamation begins on land already mined.

Missouri ranks 19th among the 27 states that produce bituminous coal. Currently, 14 surface mines in the state produce coal. In 1984, they produced almost seven million tons of it — a new state record and a dramatic increase from the mere 9,972 tons of coal mined in 1840.

ECONOMICS OF MINING COAL

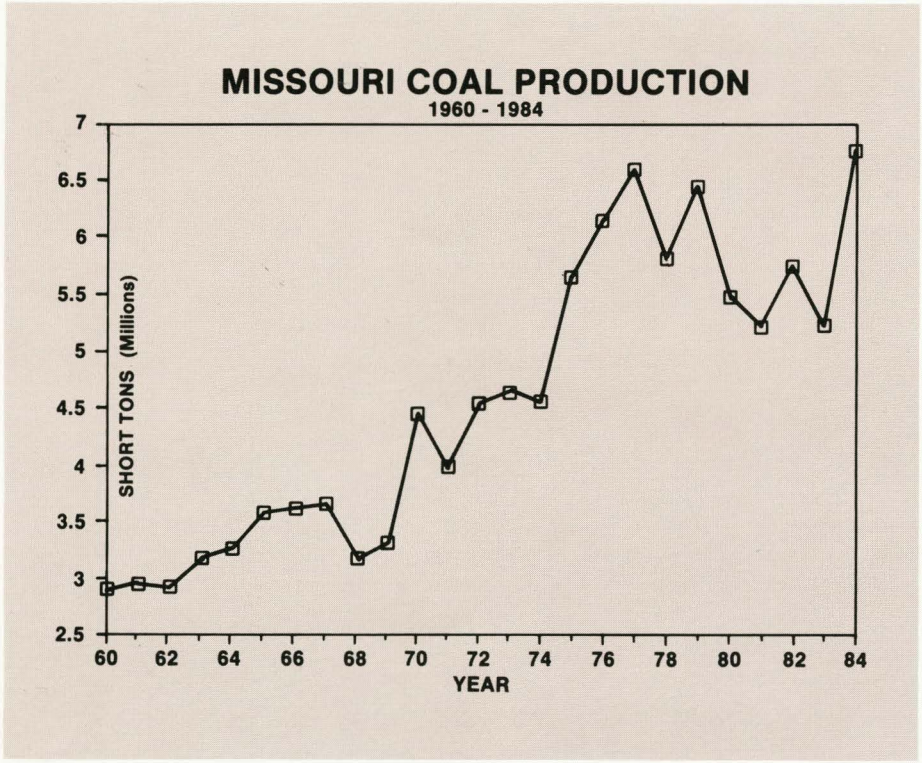
The 6,810,336 tons of coal mined in 1984 was valued at more than $170 million. That was an average price of $25 per ton received at the mine, a price that had changed little from the previous three years.

In 1984, Missouri's coal industry employed 1,217 miners, who earned about $35 million. These salaries generated additional revenue of more than $64 million in business, industry, and taxes. For every two miners employed, another job was created in support services.

The coal industry is subject to the same laws of supply and demand as are other industries. For example, when cheap natural gas and petroleum began flooding the market in the mid-1940s, demand for coal as locomotive and heating fuel declined until production reached a low of 2.5 million tons in 1958.

Energy-tax credits for coal users and the oil price hikes of 1979-80 also encouraged increased interest in coal, as did the realization that dependence on foreign oil supplies provides a shaky foundation for the American economy.

At present, coal is significantly cheaper than crude oil and natural gas. In 1983,



for example, $1.17 bought one million BTUs of coal, but we paid $4.51 for crude oil and $2.32 for natural gas having an equivalent heat value.

The cost of mining coal is about 30 percent of the total cost of using it. Prospecting, acquiring coal-bearing land, mining and processing equipment, mine development, and production are all factors that determine the initial price.

The ultimate cost of coal to users involves many other factors. Land reclamation expenses, for example, also must be considered; they depend on such factors as the thickness of the coal seam mined and the quality of the land disturbed.

Because transportation expenses add as much as 25 percent to the price of coal in Missouri, power plants located at the mine (mine-mouth plants) are significantly more economical to operate. In 1970, for example, the price of coal at the three mine-mouth plants in Missouri averaged $4.07 per ton, $1.27 less per ton than the average price statewide.

Cost of coal-burning equipment and of power-plant operation and maintenance, including pollution control and waste disposal, also affect the cost of coal to users, as does the quality of coal — high sulfur content, for example, means extra expenses for emissions-control equipment.

All these factors must be weighed in deciding the coal source to use. Missouri's coal must compete with coal from other areas. For example, power plants in the St. Louis metropolitan area use Illinois coal because the Missouri coal fields are farther away, in the northern and western parts of the state.

HOW MISSOURI COAL IS USED

During the 1800s, coal was used to fuel steam locomotives. It also heated homes and commercial buildings, gradually replacing wood as the primary heat source.

In the 1940s, petroleum and natural gas usurped coal as a fuel, but with construction of electric-generating utility plants in the 1950s came the increased need for coal to fire them. That need encouraged development of strip mining as a quick method of coal recovery.

Almost all Missouri coal is used by electric utilities in Missouri, Kansas, and Iowa. A small amount, about 3 percent, is used for manufacturing and for direct space heating.

In 1983, the coal that Missouri produced and used accounted for about 40 percent of the state's fuel needs. Missouri's reliance on coal was almost 18 percent higher than the national average. Natural gas supplied 19.3 percent of Missouri's energy, petroleum 41.2 percent, and hydroelectric power 1.2 percent.

Almost half the coal produced in the state is used by four electric utilities at mine-mouth sites: Thomas Hill Power Plant near Moberly, Asbury Power Plant north of Joplin, Montrose Power Plant near Clinton, and LaCygne Power Plant at LaCygne, Kan.

EFFECTS OF MINING AND USING COAL

Missouri's coal mining industry contributes substantially to the state's economy, particularly to that of the mining areas. In fact, many such areas are economically dependent on mining.

Reclamation of previously mined lands can improve recreation potential by creating lakes or improving wildlife habitats. It also can increase farming potential by recontouring the land, making it more accessible to farming equipment, or less subject to erosion caused by improper farming methods on steep, hilly land.

Uncontrolled mining damages the environment, and uncontrolled burning of coal produces serious side effects, notably air pollution from sulfur dioxide, nitrous oxide, and other contaminants. In the past, such side effects were taken for granted as the price of using coal.

During the 1960s, however, the nation became aware of the deterioration of our environment, resulting from misuse of our resources, including coal. Several remedial federal and state laws were enacted.

The federal Clean Air Act of 1965 and its amendments in 1970 and 1977 established the foundation for our air pollution control program. Federal and state regulations now limit the amount of sulfur and other pollutants that may be emitted during coal burning.

The 1965 Water Quality Act and the 1972 Water Pollution Control Act provided a means to restore the nation's lakes and rivers to good condition, and to protect them from further dumping or leaching of wastes.

Missouri has always had good water, but in 1973 the state enacted the Missouri Clean Water Law "to conserve the waters

of the state and to protect, maintain, and improve the quality thereof."

The Missouri Land Reclamation Law of 1972 and amendments of 1978 require surface-mining companies in the state to return land disturbed by their activities to pre-mining stability. They must post a performance bond pledging to return the land to productive use.

The laws limit the amount of sediment and other substances allowed in drainage from mined lands. They also establish procedures for monitoring the quality of all water, including runoff, that mining may affect. Mining companies also must remove and save topsoil so that it can be replaced during reclamation, before new vegetation is planted.

About 67,000 acres in the state were mined before 1971 and are therefore unaffected by these regulations.

Much of the land has recovered through natural processes to become valuable fish and wildlife habitat. About 14,000 barren acres, however, continue to cause environmental problems; such areas left unmended leach acids into nearby streams, polluting the water and killing aquatic wildlife. The terrain of these abandoned mines is often ugly and unusable.

The federal Surface Mining Control and Reclamation Act, enacted in 1977, provides not only nationwide regulation of companies currently mining coal but also a means of restoring the productivity of abandoned, unrestored areas. This legislation requires mining companies to pay 35 cents per ton on all surface-mined coal, a fee that is used to fund reclamation of abandoned mined areas.

FUTURE OF COAL IN MISSOURI

Missouri has sufficient proven coal reserves to support a potential annual production of 28 million tons for 30 years. To realize this level of production, it would be necessary to secure new markets for Missouri coal and to expand existing markets.

Technologies being developed to reduce the sulfur content of coal hold promise for increased use of Missouri coal. They include advanced chemical cleaning of coal before combustion, and coal gasification, the conversion of coal to low- and medium-BTU gas.

Development of fluidized-bed combustion units for boilers in industry and for small electric power plants also may be a solution. These units remove sulfur during combustion.

Advanced levels of coal production will depend on the ultimate cost of large-scale operation of these new technologies. Meanwhile, current markets for Missouri coal will continue to exist. Demand for Missouri coal is influenced most strongly by the demand for electricity in Missouri, Kansas, and Iowa a demand that is slowly but steadily increasing.

MISSOURI DEPARTMENT OF NATURAL RESOURCES
Division of Geology and Land Survey
P.O. Box 250
Rolla, MO 65401